

**TESTIMONY IN OPPOSITION TO R.B. 7031
AN ACT CONCERNING THE ESTABLISHMENT OF A PILOT PROGRAM
FOR THE MEDIATION OF CONDOMINIUM-RELATED DISPUTES**

Judiciary Committee

March 25, 2015

I am Richard Mellin, Mellin & Associates LLC, a property management firm based in Redding, CT serving the great Danbury area. My partner and I manage large condominiums with almost one thousand units. We have been managing community association properties for 30 years. I am registered with the Department of Consumer Protection as a Community Association Manager holding Registration # CAM.0000082.

Mellin & Associates LLC is a proud member of the Connecticut Chapter of Community Associations Institute (CAI). I serve on the organization's Legislative Action Committee and Chair the organization's Managers Council that represents our community association managers.

CAI is the oldest and most established organization representing the interests of cooperatives, condominiums and planned communities (including townhomes and single-family homeowners' associations).

I was trained in 1993 by the American Arbitration Association (AAA) to be a dispute resolution arbitrator. That year CAI-CT and AAA developed a joint program for an Alternative Dispute Resolution (ADR) Program. I studied in 2002 at the American Dispute Resolution Center, Inc. and over the years have been actively involved in CAI ADR programs.

I supported Bill No. 5590 before the General Assembly last year to "Establish A Pilot Program For the Mediation of Condominium Related Disputes". At that time I recommended four technical revisions of the bill that would have improved it. The bill however did not pass.

Why Am I In Opposition to Bill 7031?

It has been my experience that when issues causing conflict arise in common interest communities, in a majority of situations it is due to the lack of understanding about the rights and responsibilities of unit owners and their boards. With every resale package I issue to a new owner, I encourage them to review the unit owners responsibilities along with the association's responsibilities and rules and regulations. We publish this information in an easy to read and understand "welcome" booklet. The booklet clearly articulates, in plain language, the requirements of living in a common interest community.

Unit owners have an obligation to read and understand the documents and rules that come with their purchase of a unit. I strongly believe that all potential purchasers should be able to know the answer to some very basic questions BEFORE they say yes to the community living lifestyle. I would be happy to share all the information we post on our association's web sites.

One factor that has hindered viable ADR program is cost. Having a \$250 fee to be paid to file a complaint is what the AAA required in 1993. It was a non-refundable fee. I believe any party seeking to make a complaint must make some financial investment in the complaint

process. There would likely be no end to the number and types of complaints filed with a minimal or no fee. The requirement of a fee provides a greater assurance that the complainant is serious about their dispute. How will the compensation for a Probate Judges be funded if not by a reasonable fee? Will Probate Judges be willing to spend countless hours on cases for a \$250 fee?

All hearing officers, probate judges and staff involved in the processing of complaint resolution for the Pilot Program MUST be thoroughly trained about the many facets of common interest community law and practices. This area of the law has many intricate components and there are many facets to understanding common interest communities in general.

In order to provide reasonable due process for any complaint, the hearing officer or judge needs to have a clear understanding of the association's documents as well as State and Federal statutes. Learning about an association's legal document is a time consuming process. Most associations' documents are different, often outdated, and are not written for the lay person contributing to the rise of many complaints.

Summary:

I am in support of effective, efficient and economical ways of resolving disputes within common interest communities. When disputes can not be resolved within the community, the only remaining options are to ignore the dispute or proceed with litigation. Unfortunately, litigation can be very expensive and time consuming for both parties.

I do not support legislation that uses individuals who do not have the necessary training in common interest law and practices. I also do not support programs that are not adequately funded. I am opposed to allowing plaintiffs to file complaints without any or very limited financial investment in the complaint.

To the extent that problems arise within community associations, CAI believes they can be best addressed through comprehensive board and member education, and pre-sale disclosure requirements. Too many unit owners do not want to take the time and effort to better understand common interest rights and responsibilities and just want what they want.

I would be happy to meet with any legislator about this bill or any issues affecting common interest communities in Connecticut.

Thank you for your time and consideration.

Respectfully submitted,

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